

TODAY'S TOPIC

# TelstraSuper: Climate change action plan

Thank you for joining us.  
We will commence shortly.



**“We acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples today.”**

**Acknowledgement of Country**

## IMPORTANT NOTICE

This presentation contains factual information and general advice only, including information about financial products. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions. Please also consider our financial services guide which is available at [www.telstrasuper.com.au](http://www.telstrasuper.com.au)

If you are considering acquiring a financial product, you should obtain the relevant product disclosure statement and target market determination before making a decision, which are available on our website at [www.telstrasuper.com.au](http://www.telstrasuper.com.au)

Any taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.

If you would like to find out more information about TelstraSuper, please contact us by email at **[contact@telstrasuper.com.au](mailto:contact@telstrasuper.com.au)** or use the Contact Form on the website to make a request, and we will arrange for a Member Contact Centre Consultant to call you. Alternatively, you can call our Member Contact Centre Consultants on **1300 033 166** to ask for further information.

Please refer to <https://www.telstrasuper.com.au/about-us/awards> to see further information on our awards from both third-party rating agencies and industry peers that recognise TelstraSuper's achievements in each of the nominated areas.

Current as at 24 October 2023. This work is copyright and no part may be reproduced by any process without prior written permission from TelstraSuper.

# Climate Change Action Plan Update

David Humphreys  
Head of Sustainable Investment



# Climate Change Action Plan

In 2021

## TelstraSuper's three climate-related goals



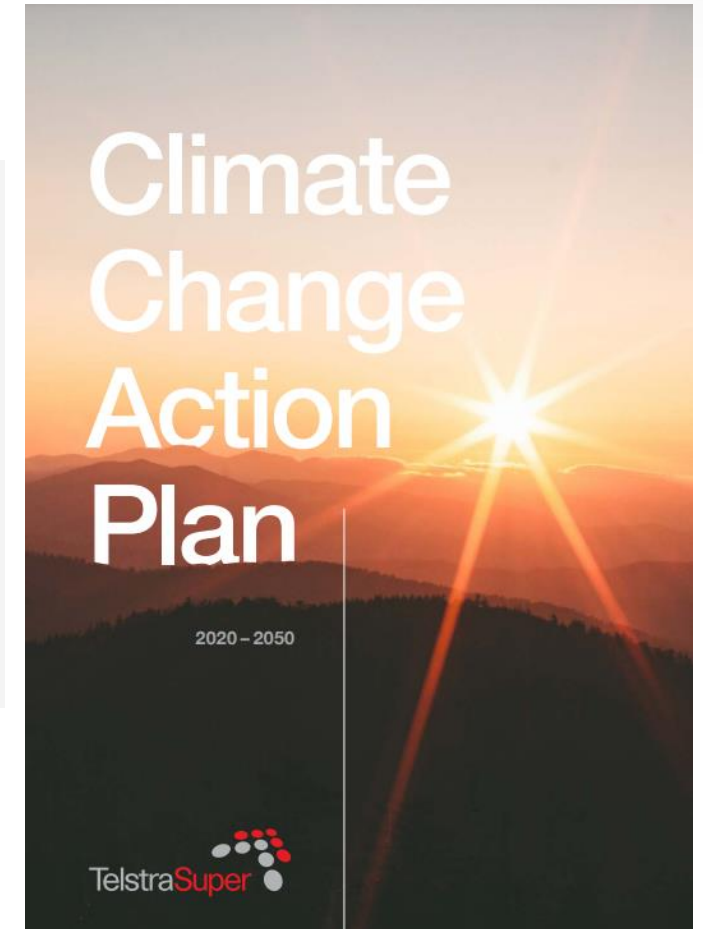
Achieve **net zero greenhouse gas emissions** by 2050, aiming for a 45% reduction (from 2020 levels) by 2030.



Build **portfolio resilience** to the physical impacts of climate change across asset classes.



**Proactively invest in opportunities** expected to be net beneficiaries of the transition to a net zero emissions world.

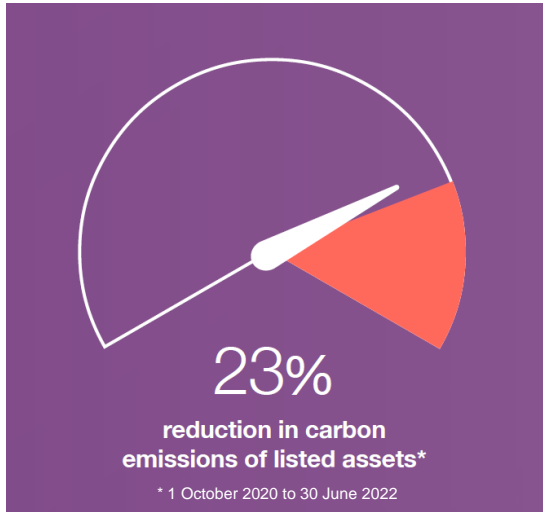








# A Five-Pillar Framework guides our actions




# Key Achievements to date



-  Enhanced criteria to assess net zero commitment and climate risk exposure of our external managers
-  Increased our engagement with high emitters across our portfolio
-  Implemented guidelines for 'say on climate' voting

 Our corporate operations have been carbon neutral since 2021

  
\$250 million  
committed to low carbon opportunities by 2025



Rated an ESG Leader by *Rainmaker 2022 and 2023*

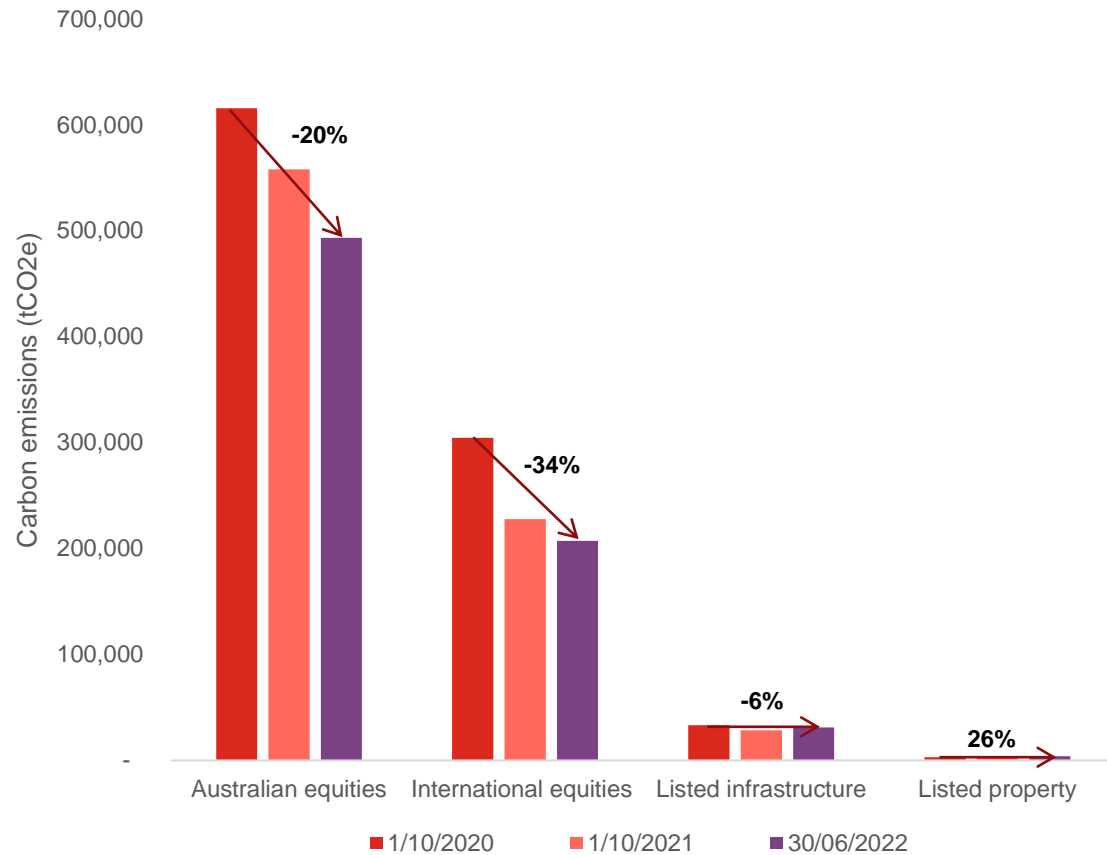


Climate Change Action Plan selected as a global case study by *The Investor Agenda*

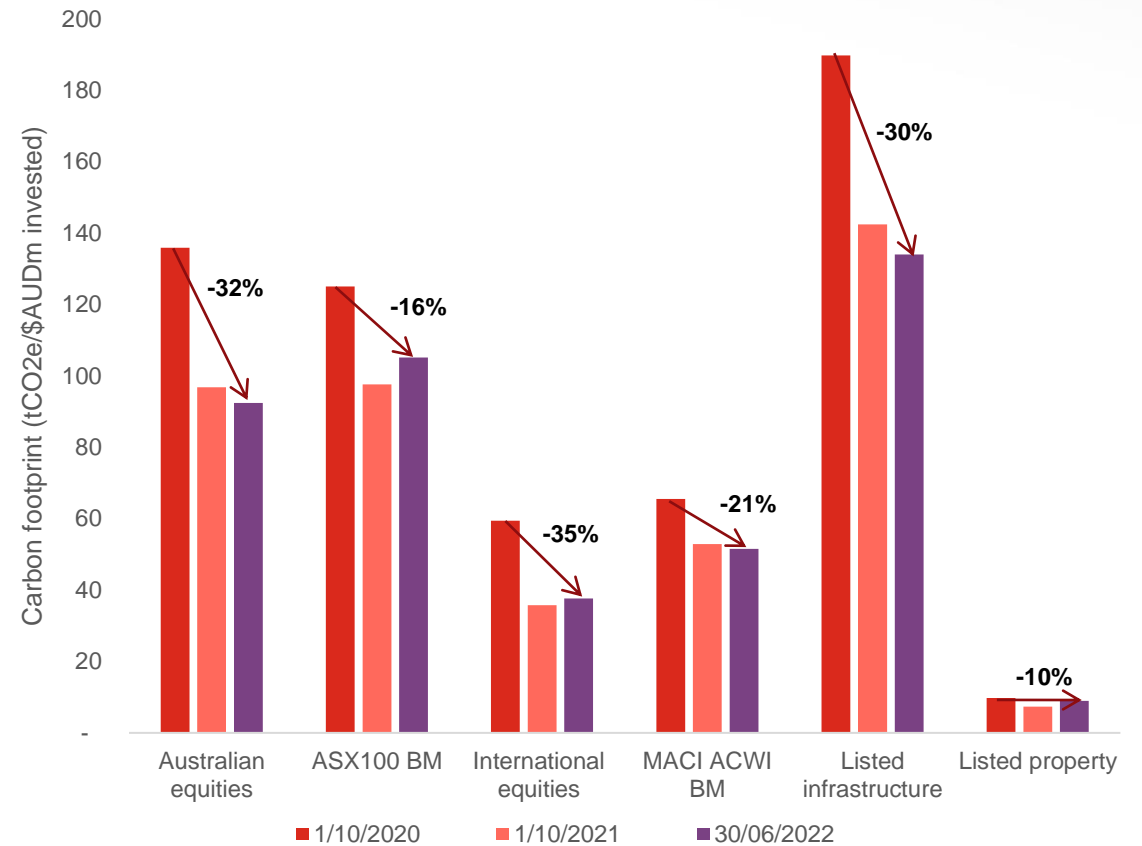
# TelstraSuper's Reduction in Carbon Profile of Listed Portfolios



Absolute carbon emissions listed portfolios



Carbon footprint across listed portfolios





# TelstraSuper's Engagement with South 32



TelstraSuper is a signatory to Climate Action 100+. The global initiative engages with 167 global companies, considered the world's heaviest carbon emitters, contributing over 80% of global industrial greenhouse gas emissions.

TelstraSuper is a supporting member of the Climate Action 100+ investor working group that engages with South32.

During 2022 and 2023 TelstraSuper engaged with South32 on several occasions to discuss the company's climate change action plan, which sets out South32's goals, approach and progress with respect to climate transition.

TelstraSuper recommended to South32 that it accelerate emissions reduction efforts before 2030. We also encouraged South32 to provide more information about just transition planning for communities near their Worsley alumina and Hillside aluminium operations.

South32 shareholders voted on the company's Climate Change Plan at the 2022 annual general meeting. TelstraSuper voted in favor – which was consistent the 89.6% approval from shareholders



# TelstraSuper has invested \$150 Million in Climate-Related Opportunities. We have committed to invest \$250m by 2025.



Investments in Climate Transition	Funds Invested	Carrying Value
<b>Climate Equities Fund</b> A quantitative equities strategy where a key stock selection consideration is carbon footprint.	\$39m	\$50m
<b>Apostle carbon market fund</b> Apostle trades on carbon markets across Australia, UK, Europe, New Zealand and California. They play a role in creating active carbon markets, contributing to the global net zero movement.	\$25m	\$25m
<b>Pimco California Carbon Credits</b> Reduces global emissions by incentivising participants to reduce operational emissions. Directly contributes to SDGs with revenues generated by auctioning off CCAs re-invested into ESG-positive projects such as renewable energy, public transportation, recycling and affordable housing.	\$26m	\$26m
<b>Tilt Renewables</b> Tilt Renewables is a partnership between the QIC Global Infrastructure Fund and its co-investors (including TelstraSuper), the Future Fund and AGL Energy Limited (AGL). Tilt Renewables owns over 1.3 gigawatts (GW) of fully operational, renewable energy capacity across nine Australian wind and solar generation assets. There are a further 2.4GW of late-stage development projects, expected to be operational by 2027.	\$63m	\$63m
<b>Total Investments at 30 June 2023</b>	<b>\$153m</b>	<b>\$164m</b>

One of the key goals of the CCAP is to invest in assets that will be net beneficiaries of the energy transition.

Since 2021 TelstraSuper has invested over \$150m across the opportunities and infrastructure asset classes which to date has delivered a positive nominal return.

In December 2022, TelstraSuper committed to investing up to \$250m in assets that are expected to be net beneficiaries of climate transition by the end of 2025. These may be across any asset class and will target investment returns consistent with the asset class hurdles.

Our commitment to climate transition investment aligns with our support of the UN Sustainable Development goals. We think that the Apostle and Pimco Carbon credit funds and Tilt renewables investments contribute positively to the goals highlighted below.



# TelstraSuper has interests in a broad range of renewable assets through its externally managed infrastructure investments



## Investments in renewable assets via externally managed infrastructure investments

### Westlands Solar Park – CIM Group

TelstraSuper invests in the Westlands Solar Park (WSP), a large-scale renewable energy project in the United States. WSP has the potential to generate over 2,700 megawatts of clean energy, powering more than 1.2 million homes. The project, situated on reclaimed farmland in California's San Joaquin Valley, has undergone extensive environmental assessments and is recognized as a Competitive Renewable Energy Zone (CREZ).

CIM Group, the developer of WSP, aims to support local communities by reducing greenhouse gas emissions, increasing the supply of clean energy, and creating new job opportunities.

### Finerge – Igneo

Finerge, Portugal's second-largest renewable energy producer, operates 77 wind farms and 17 solar plants across Portugal and Spain, generating 3.5 GWh of clean electricity annually and reducing CO2 emissions by 1,149 kilotons.

Beyond energy projects, Finerge promotes innovative green technologies, fosters green and digital skills in academia.

### Atlas Renewable Energy – GIP Infrastructure Partners

Atlas is a prominent player in Latin America's renewable energy sector, boasting 2.2GW of solar assets operational or under construction in Brazil, Chile, Mexico, and Uruguay, ranking as the region's second-largest renewables developer. The company primarily supplies renewable energy to large commercial and industrial clients through long-term agreements, fostering sustainability and economic development.

Atlas maintains a robust 6GW+ project pipeline in Latin America and Spain, signifying significant growth prospects.

Atlas has pioneered trends in Latin American markets, such as USD-denominated Power Purchase Agreements and inflation-linked PPAs.

Atlas has earned regional and global industry accolades and excels in environmental, social, and governance (ESG) practices. Its commitment to high ESG standards is evident through community outreach, a diverse workforce (with around 40% female employees) and engaging local communities in construction projects.

Since inception, Atlas's projects have prevented approximately 1.9 million tons of CO2 emissions.





# Future Focus

- Engagement with investee companies on climate change planning and investment.
- Continued manager engagement on sustainability expectations.
- Undertake carbon footprint assessment for fixed income assets and continue to update other asset classes annually.
- In 2022, physical risk assessment was completed for infrastructure assets, in 2023 we are undertaking a review of the property asset class.
- Continue to seek opportunities across industries that will benefit from climate transition.





**HOW TELSTRASUPER  
CAN ASSIST YOU**



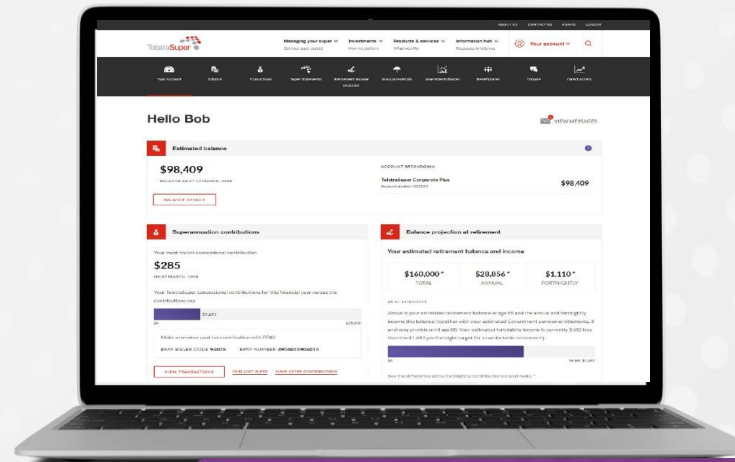


HOW TELSTRASUPER CAN ASSIST YOU

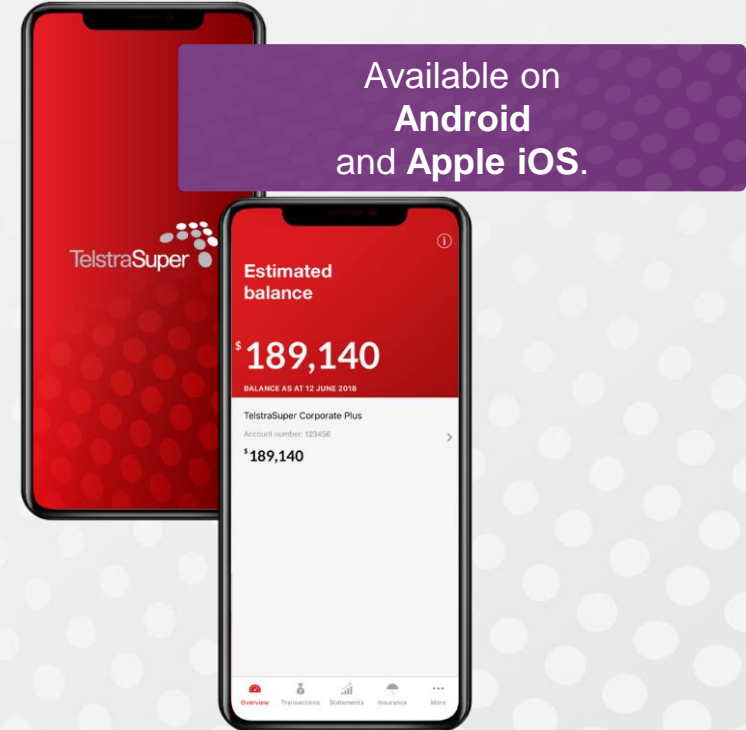
# Keeping in touch with your super



- ✓ Update your email address and personal details
- ✓ Check your account balance
- ✓ Review your insurance cover
- ✓ View your nominated beneficiaries and make a non-binding nomination
- ✓ Review your investment options and investment returns
- ✓ Keep track of pre-tax contributions against the concessional contribution caps
- ✓ Review benefit statements
- ✓ View latest contributions and transactions



Login to SuperOnline at [telstrasuper.com.au](https://telstrasuper.com.au)



# Four financial advice services to empower you



## **SUPER** *sorter*

Simple phone advice and info designed to help you maximise your super.

**No additional cost to members**

Included in membership



## **STEP** *it up*

Want to take that next step with your super or finances? We'll find you a simple solution.

**Low cost Options**

\$500 - \$900 per topic per person  
(+GST if applicable)



## **BIG** *picture it*

Let's check out your whole financial situation and make a plan.

**One off fee for service**

\$1000 - \$3000  
(+GST if applicable)



## **STAY** *on track*

Ongoing expert advice on super and wealth. We'll nudge and encourage you, keeping you on track as life changes.

**Annual fee for service**

\$1750<sup>^</sup> pa or \$2300<sup>^</sup> pa  
depending on advice  
(+GST if applicable)

Financial advice is provided by Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705. TSFP is wholly owned by TelstraSuper Pty Ltd (TSPL) in its capacity as trustee for the Telstra Superannuation Scheme (TelstraSuper). Refer to the current TSFP Financial Services Guide (FSG) on our website [www.telstrasuper.com.au](http://www.telstrasuper.com.au) for important information about the services. Advice fees are current as at 1 October 2023.

<sup>^</sup>The ongoing advice service provides our clients with a review of the advice previously provided by us within the last 12 months, however if additional advice is required outside of this scope, due to changes in client's circumstances, additional costs may apply. Further information about costs are included in the client agreement

HOW TELSTRASUPER CAN ASSIST YOU

# Share the benefits



## We're open to everyone



As a leading profit-to-member fund, TelstraSuper is committed to helping our members **build a financial outcome in retirement they can look forward to.**

We're now open to everyone, so your friends and family can join.





THANKS FOR YOUR TIME

# We're happy to answer your questions



1300 033 166

8:30am – 6:00pm (Melbourne time) Monday to Friday



[talkingsense@telstrasuper.com.au](mailto:talkingsense@telstrasuper.com.au)



[telstrasuper.com.au](https://telstrasuper.com.au)



Rated an ESG Leader for 2022 by Rainmaker

*Your leading profit-to-member fund*

This presentation contains factual information and general advice only. It has been prepared without taking into account your objectives, financial situation and needs. Before you act on any information or make any financial decision, you should consider whether it is appropriate having regard to your personal circumstances. If you are considering acquiring a financial product you should obtain the relevant product disclosure statement (PDS) and target market determination (TMD) before making any decision. You may wish to consult an Adviser before you make any decisions relating to your financial affairs. To speak with an Adviser from TelstraSuper Financial Planning, call 1300 033 166. The taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.